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USTR WELCOMES "ROADMAP" FOR PROGRESS IN WTO SERVICES NEGOTIATIONS

United States Trade Representative Charlene Barshefsky welcomed the decision today by the WTO Council for Trade in Services to establish a roadmap for the current phase of global negotiations on services trade, including deadlines for the submission of negotiating proposals and a date to begin the next phase of the negotiations focusing on market access.

"Following our initiation of global agricultural talks in March, this decision is evidence that WTO Members are serious about making progress on the further opening of global services trade," said Ambassador Barshefsky. "Exports from telecommunications, financial and other service sectors account for more than four million jobs held by Americans, and we are determined to use these talks to continue to open foreign markets to U.S. services providers."

The roadmap agreed to today at the General Agreement on Trade in Services (GATS) meeting in Geneva sets a December 2000 target for submission of negotiating and other proposals, and a March 2001 deadline for conclusion of the current, technical phase of the negotiations. At its April meeting, the Council for Trade in Services had set an ambitious schedule of meetings for the remainder of 2000, including 1-1/2 week negotiating sessions in May, July, October, and December.

The roadmap document also calls for conclusion of work underway on new approaches for negotiating commitments in sectors that have been inadequately addressed in past negotiations. This month, the U.S. submitted a proposal in this area for energy services, while last month the U.S. had submitted such a proposal for express delivery services; the U.S. continues to work with other countries on new approaches in environmental services. Separately, the U.S. has submitted a proposal aimed at ensuring fair and open regulation of services – including advance notice and comment on new or proposed regulations – in sectors in which countries regulate services. And, to give renewed impetus to the work of the WTO Committee on Trade in Financial Services, the U.S. continues to highlight the importance of further liberalization of financial services and has

suggested ways to move such an agenda forward.

The GATS is the first multilateral, legally-enforceable agreement covering trade and investment in services. The GATS is designed to reduce or eliminate governmental measures that prevent services from being freely provided across national borders or that discriminate against locally-established service firms with foreign ownership.

Service industries account for nearly 80 percent of U.S. employment and Gross Domestic Product. U.S. exports of commercial services were \$246 billion in 1998. Cross-border trade in services accounts for more than 22 percent of world trade, or about \$1.3 trillion annually. U.S. services compete successfully worldwide; U.S. services exports have more than doubled over the last ten years, increasing from \$117 billion in 1989 to \$246 billion last year.

In March, the WTO Committee on Agriculture was successful in settling procedural matters necessary to allow the Agriculture talks to proceed. The Committee agreed on a work plan for the coming year, a schedule of meetings, and an end of the year deadline for countries to submit negotiating proposals.